

## Message Text

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11

ORIGIN AGR-08

INFO OCT-01 ARA-06 ISO-00 FEA-01 CEA-01 CIAE-00 COME-00

DODE-00 EB-07 FRB-03 H-02 INR-07 INT-05 L-03 LAB-04

NSAE-00 NSC-05 PA-01 AID-05 CIEP-01 SS-15 STR-04

TAR-01 TRSE-00 USIA-06 PRS-01 SP-02 OMB-01 /090 R

DRAFTED BY USDA/FAC:GEWANAMAKER:GTHORBURN:JT

APPROVED BY EB/OF/FPD:MPBOERNER

AGRIC - CRKEATON

AGRIC - JSTARKEY

AGRIC - ERBEVIS

ARA/BR - JSLATTERY (DRAFT)

AGRIC - NPETTIPAW

STA - CLARK (SUB)

AGRIC - BMEEKER

----- 024299

R 022150Z JUN 75

FM SECSTATE WASHDC

TO AMEMBASSY BRASILIA

INFO AMCONSUL SAO PAULO

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E.O. 11652: NA

TAGS: ETRD, BR

SUBJECT: POSSIBLE EXPORT SUBSIDIES ON SOYBEAN OIL

REF: (1) BRASILIA 4418; (2) STATE 96240

1. TREASURY INVESTIGATION OF ALLEGED BRAZILIAN EXPORT  
SUBSIDY ON HYDROGENATED CASTOR OIL HAS AROUSED TRADE CON-  
CERN THAT BRAZILIAN TAX POLICY MAY ALSO RESULT IN EXPORT  
SUBSIDY ON SOYBEAN OIL. ALTHOUGH NO, RPT NO FORMAL COM-  
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PLAINT HAS BEEN FILED, U.S. SOYBEAN TRADE HAS COMPLAINED

ABOUT REBATES OF ICM AND IPI TAXES AND ALLEGED THAT  
BRAZIL IS CURRENTLY SELLING OIL BELOW WORLD MARKET PRICES,  
THEREBY POSSIBLY DISPLACING U.S. EXPORTS.

2. EMBASSY REQUESTED TO REVIEW GOB TAX STRUCTURE AND  
GIVE ITS VIEW AS TO WHETHER CURRENT REBATE SYSTEM IS  
LIKELY TO RESULT IN EXPORT SUBSIDIES. AS SECRETARY BUTZ  
AND FAS ADMINISTRATOR HUME SCHEDULED TO VISIT BRAZIL MID-  
JUNE, EARLY REPLY PERMITTING INTERNAL USG EVALUATION IS  
REQUESTED. INGERSOLL

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NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** IMPORTS, VEGETABLE OILS, SOYBEAN OIL, EXPORT SUBSIDIES  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 02 JUN 1975  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** GolinoFR  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1975STATE128039  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** GEWANAMAKER:GTHORBURN:JT  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Film Number:** D750193-0003  
**From:** STATE  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1975/newtext/t19750688/aaaadddf.tel  
**Line Count:** 71  
**Locator:** TEXT ON-LINE, ON MICROFILM  
**Office:** ORIGIN AGR  
**Original Classification:** LIMITED OFFICIAL USE  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 2  
**Previous Channel Indicators:** n/a  
**Previous Classification:** LIMITED OFFICIAL USE  
**Previous Handling Restrictions:** n/a  
**Reference:** 75 BRASILIA 4418, 75 STATE 96240  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** GolinoFR  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 04 SEP 2003  
**Review Event:**  
**Review Exemptions:** n/a  
**Review History:** RELEASED <04 SEP 2003 by WorrelSW>; APPROVED <01 DEC 2003 by GolinoFR>  
**Review Markings:**

Margaret P. Grafeld  
Declassified/Released  
US Department of State  
EO Systematic Review  
06 JUL 2006

**Review Media Identifier:**  
**Review Referrals:** n/a  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** POSSIBLE EXPORT SUBSIDIES ON SOYBEAN OIL  
**TAGS:** ETRD, BR, US  
**To:** BRASILIA  
**Type:** TE  
**Markings:** Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 06 JUL 2006